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Foreign Crops and MARKETS



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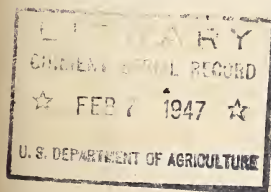
Larger World Citrus Production, Up 27 Percent From Prewar, Due Largely to Bumper Orange and Grapefruit Crops in U. S. (Page 63)

Argentine-Swiss Trade Agreement, Including Grain Purchase Over 5-Year Period, Is Latest in Series of Long-Term Purchase Agreements (Page 68)

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UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

L A T E N E W S

Britain's food prospects for 1947 were reviewed in the House of Lords, January 23 as follows: Wheat stocks well below 100,000 tons may indicate a further reduction in the bread ration; meat supplies will be no more than adequate; fish supplies will provide a surplus for export to Germany; bacon ration cannot be increased; and butter supplies will improve slightly.

Danish-British agreement on export prices for farm products is anticipated shortly. The British are expected to press for larger shipments of bacon, butter, and eggs to offset a current trade balance of 25 million pounds (1 pound=\$4.03) in Britain's favor.

Egypt has agreed January 20 to extend a 1-year credit of 1 million Egyptian pounds (1 pound=\$4.13) to Czechoslovakia for purchase exclusively of long-staple cotton.

A 12.5-million-pound (1 pound=\$4.03) credit for purchase of wool is reported being extended by a London banking group to a French cooperative known as Groupement d'Importation et Repartition de la Laine. The loan is expected to be used as a revolving credit for purchase of 35 million pounds of empire wool and 8 million pounds of other wool, in the next 12 months. Repayment is linked with French exports of woollen manufactures.

Denmark's 11-month production of milk, butter, pork, and eggs is in each case above the total 1945 production, and combined production of all items will exceed last year's output for the same period by 7 percent, according to the semi-official Agricultural Council. Increased milk and butter production is reported due to oilcake and oilseed imports. Exports of 50,000 horses in 1946 saved enough feed to account for a 9-percent rise in pork produced in 1946, the Council stated.

The Colombian Government has lifted restrictions on importation of lard, authorizing importation of 200,000 tins of about 37 pounds each. No more than 2,000 tins will be allotted each individual importer with distribution only through those registered as importers or provision dealers for the past 5 years.

WORLD CITRUS CROP 10 PERCENT ABOVE 1945 LEVEL

Production of citrus fruits (oranges, tangerines, grapefruit, and lemons) for 1946-47 is estimated at 338 million boxes, 10 percent larger than the 308 million boxes (revised estimate) produced in 1945 and 27 percent greater than the prewar (1935-39) average of 266 million boxes. This rise is due largely to increases expected in orange and grapefruit crops in the United States.

Of the 338 million boxes, oranges and tangerines account for 240 million, grapefruit 70 million, and lemons 28 million. In the prewar period, the average production of oranges was 207 million, grapefruit 34 million, and lemons 25 million boxes. The United States is expected to produce 52 percent of the oranges, 96 percent of the grapefruit, and 50 percent of the lemons in the 1946-47 season. In the prewar period, the United States crop accounted for 32 percent of the oranges, 94 percent of the grapefruit, and 40 percent of the lemons.

Oranges: The world orange estimate of 240 million boxes is 25 million boxes greater than last season's production. Of the estimated North American production of 135 million boxes, 124 million are in the United States and 9 million are in Mexico. The remaining 2 million boxes represents the West Indian crop, where Cuba leads with 1.2 million.

The record crop of 124 million in the United States is 19 million boxes greater than the 1945 production, and almost double the prewar average of 67 million boxes. Mexican orange production has increased at about the same rate while the West Indian crop continues at about the prewar level. The United States crop includes 55 million boxes of early and mid-season varieties, 64 million Valencias, and 5 million boxes of tangerines.

The South American crop is expected to total 37 million -- 2 million more than produced in 1945 but 14 million less than the prewar average, the result of disease and neglect. The Brazilian crop, indicated at 23 million boxes is 16 million below the prewar level.

In Europe, the current estimate of 25 million boxes is 1 million greater than the 1945 production, but nearly 13 million less than the prewar average. The Spanish crop of 14 million boxes is 1.6 million greater than last year's production, but nearly 10.3 million less than the 1935-39 average, reflecting the serious damage to the groves from freezing temperatures in 1945 and the shortage of orchard supplies, particularly of chemical fertilizer. The Italian crop of 9.6 million boxes is slightly less than the 1945 crop and 2.1 million under the prewar average.

The current crop of 10 million boxes in Palestine is 2 million greater than the 1945 production, exceeding the 1935-39 average by 1.3 million. Although the groves are still suffering from forced neglect occasioned by the loss of the export market during the war, production is expected to increase substantially during the next few years. Production in Lebanon,

CITRUS FRUIT: Production in specified countries,
average 1935-39, annual 1942-46
Oranges, including tangerines

Continent and country	Average: 1935-39:	1942	1943	1944	1945	1946 <u>a/</u>
	<u>boxes</u>	<u>boxes</u>	<u>boxes</u>	<u>boxes</u>	<u>boxes</u>	<u>boxes</u>
<u>North America:</u>						
Costa Rica	(6)	b/	b/	b/	b/	b/
Mexico	4,761	7,561	8,317	8,943	9,207	9,000
United States	67,034	89,349	106,651	113,210	104,520	123,730
<u>Caribbean:</u>						
Cuba	1,050	1,000	1,250	625	1,000	1,250
Dominican Republic	(500)	549	492	321	514	(500)
Jamaica	(595)	(525)	500	525	400	246
Trinidad and Tobago	17	(20)	(20)	(26)	20	25
Total	73,963	99,038	117,263	123,680	115,691	134,781
<u>Europe:</u>						
Aegean Islands	43	b/	b/	b/	b/	b/
France	37	24	3	(20)	(20)	(20)
Greece	1,463	(1,500)	(1,500)	(1,500)	1,606	1,543
Italy	11,701	11,495	11,621	8,489	9,715	9,574
Malta and Gozo	9	b/	b/	b/	b/	b/
Spain	24,461	15,747	15,275	21,259	12,598	14,172
Total (excluding U.S.S.R.)	37,714	28,815	28,448	31,317	23,988	25,358
<u>Asia:</u>						
<u>Asia Minor:</u>						
Cyprus	441	300	(325)	369	317	600
Iran	483	b/	b/	b/	b/	b/
Lebanon	c/1,093	c/1,168	c/1,095	827	1,552	1,211
Palestine	(8,652)	5,000	8,400	6,000	8,000	10,000
Syria	a/	a/	a/	62	70	50
<u>Asia Major:</u>						
Japan	15,895	17,088	17,500	15,669	11,912	12,000
Philippine Islands	136	b/	b/	b/	b/	b/
Total (excluding U.S.S.R.)	26,700	24,116	27,870	23,467	22,391	24,401
<u>South America:</u>						
Argentina	(9,212)	17,996	11,240	11,136	8,825	(11,000)
Brazil	38,779	35,465	26,000	22,150	23,000	(23,000)
Chile	(250)	400	500	600	(600)	(600)
Ecuador	580	b/	b/	b/	b/	b/
Paraguay	460	b/	b/	b/	b/	b/
Surinam	a/ 20	15	35	52	60	(75)
Uruguay	(1,300)	b/	b/	b/	b/	b/
Total	50,601	56,076	39,975	36,138	34,685	36,875

Continued -

**CITRUS FRUIT: Production in specified countries,
average 1935-39, annual 1942-46
Oranges, including tangerines**

Continent and country	Average: 1935-39	1942	1943	1944	1945	1946 <u>a/</u>
	1,000	1,000	1,000	1,000	1,000	1,000
	boxes	boxes	boxes	boxes	boxes	boxes
Africa:						
Algeria	3,198	(3,500)	(3,500)	(3,500)	(2,200)	(3,000)
Egypt	6,455	6,478	7,252	6,915	6,742	(6,900)
French Morocco	(1,203)	1,845	1,464	1,766	2,149	(2,200)
Northern Rhodesia	11	b/	b/	b/	b/	b/
Southern Rhodesia	193	b/	b/	b/	b/	b/
Tunisia	323	(300)	(250)	239	362	(300)
Union of South Africa	4,000	6,079	6,860	4,827	3,780	(4,000)
Total	15,383	18,414	19,538	17,460	15,446	16,613
Oceania:						
Australia	2,683	2,100	2,666	2,875	2,510	f/2,300
New Zealand	23	20	9	14	5	(10)
Total	2,706	2,120	2,675	2,889	2,515	2,310
World total	207,067	228,579	235,769	234,951	214,716	240,338

Grapefruit

North America:						
United States	31,787	50,481	56,090	52,180	63,550	66,720
Caribbean						
Cuba	375	300	350	325	212	195
Jamaica	213	(225)	250	(275)	270	222
Puerto Rico	448	b/	b/	b/	b/	b/
Trinidad and Tobago	63	152	123	190	231	200
Total	32,886	51,658	57,313	53,470	64,763	67,837
Asia:						
Asia Minor:						
Palestine	(445)	300	800	692	800	1,100
South America:						
Argentina	e/ 49	196	182	112	88	(100)
Africa:						
Union of South Africa	(431)	858	968	681	534	(675)
World Total	33,811	53,012	59,263	54,955	66,185	69,712

**CITRUS FRUIT: Production in specified countries,
average 1935-39, annual 1942-46**

LEMONS

Continent and country	Average 1935-39	1942	1943	1944	1945	1946 a/
	1,000 boxes	1,000 boxes	1,000 boxes	1,000 boxes	1,000 boxes	1,000 boxes
North America:						
United States	9,552	14,880	11,050	12,550	14,500	13,900
Europe:						
Aegean Islands	9	b/	b/	b/	b/	b/
France	6	b/	b/	b/	b/	b/
Greece	367	(375)	(375)	(375)	328	406
Italy	9,637	9,204	8,092	6,784	6,374	7,397
Spain	1,444	1,100	(1,100)	(1,100)	812	(850)
Total (excluding U.S.S.R.)	11,463	10,695	9,583	8,275	7,530	8,669
Asia:						
Asia Minor:						
Cyprus	53	32	58	45	92	87
Lebanon	c/ 464	c/ 350	c/ 350	336	725	435
Palestine	88	(60)	(60)	312	350	440
Syria	d/	d/	d/	8	9	7
Total	605	442	468	701	1,176	969
South America:						
Argentina	(371)	1,729	1,075	998	1,056	(1,200)
Brazil	1,612	b/	b/	b/	b/	b/
Chile	(250)	417	417	625	700	(750)
Total	2,233	3,946	3,292	3,123	3,256	3,150
Africa:						
Algeria	102	b/	b/	b/	b/	b/
Egypt	83	134	100	(140)	(150)	(150)
Tunisia	35	(40)	(40)	44	174	(180)
Union of South Africa	(142)	215	242	170	133	(150)
Total	362	489	482	454	557	580
Oceania:						
Australia	308	290	364	335	336	f/ (427)
New Zealand	65	(50)	56	62	54	60
Total	373	340	420	397	390	487
World total	24,588	30,792	25,295	25,500	27,409	27,755

Compiled from official sources. Figures in parentheses are estimates of the Office of Foreign Agricultural Relations. Production estimates relate to the crop from bloom of year shown. Harvesting in Northern Hemisphere countries begins about November and in Southern Hemisphere about February of the following year. Production in foreign countries converted to boxes of the following weights: Oranges 70 pounds; grapefruit 80 lbs; and lemons 76 pounds. a/ Preliminary. b/ Included in total. c/ Includes Syria. d/ Not reported separately prior to 1944. e/ Less than 5 years. f/ Partly estimated.

accounting for about 1.2 million boxes, is below last year's crop but nearly 100,000 greater than in the prewar period. Soviet plantings, mostly in the Georgian Republic along the east shore of the Black Sea, are reaching sizable proportions; however, data on production are insufficient to serve as a basis for an estimate of the crop. The planting in that area occurred largely between 1934 and the entrance of the Soviet Union into the war in 1941.

Japanese production suffered materially during the war period. The current crop is estimated at 12 million boxes, practically the same as last year's but 3.9 million boxes less than the 1935-39 production.

The African orange crop, estimated at 16.6 million boxes, is indicated to be 1.2 million greater than last year's, which was equivalent to the prewar average. Whereas drought conditions existed in most of the African producing areas in 1945, the weather this season was much more favorable.

The Australian crop of 2.3 million is 200,000 less than last year's production and 400,000 boxes below the prewar average as the result of unfavorable weather conditions.

Grapefruit: World grapefruit production is expected to be about 4 million boxes larger than last season's output. The United States production, estimated at 67 million boxes, is 3 million greater than the 1945 crop and more than double the 32-million-box average of 1935-39. The West Indies account for about 1 million boxes. The present crop of slightly over 1 million boxes in Palestine is a little more than double the 1935-39 average. Argentina is expected to produce 100,000 boxes and the Union of South Africa 700,000.

Lemons: The current world estimate of 28 million boxes is about 3.2 million larger than the prewar average. Production declines in the other countries have largely offset the substantial increase in the United States. The United States leads all other countries in the production of lemons. The 1946 crop, estimated at 14 million boxes, is 600,000 less than the 1945 production but 4.3 million greater than the prewar average. Italy ranks second with the current crop estimated at nearly 7.4 million boxes, 1 million boxes greater than last season's crop but 2.2 million less than the prewar production. Spain with 900,000 and Greece with 400,000 boxes are the other important producing countries of Europe. In South America, the Argentine crop is expected to total about 1.2 million, Brazil's crop is probably comparable to the Argentine production, and Chile may produce 750,000 boxes. Disease is affecting adversely the production in South America.

Lebanon and Palestine each are expected to produce about 400,000 boxes and Algeria, Egypt, Tunisia, and South Africa combined, a crop totaling nearly 600,000 boxes. A total of 500,000 boxes is indicated for the combined crops of Australia and New Zealand.

This is one of a series of regularly scheduled reports on world agricultural prospects approved by the Office of Foreign Agricultural Relations Committee on Foreign Crops and Livestock Statistics. For this report the Committee included Joseph A. Becker, chairman, Gustave Burmeister, Monroe McCown, C. M. Purves, Ruth G. Tucker, Oscar K. Moore, and Lois Bacon.

COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS, AND FEEDS

ARGENTINA TO SUPPLY GRAIN TO SWISS ON LONG-TERM BASIS

Under the terms of the latest in a series of long-term trade agreements involving grains, Switzerland will purchase specified quantities of grains from Argentina between 1947 and 1951. In return for agricultural products, Switzerland is to supply machinery and other manufactured goods. The agreement, signed January 20, is subject to ratification by both Governments. Recently Argentina entered into similar agreements with Spain and Brazil.

Assuming available Argentine export surpluses, specified quantities of grain are to be purchased by Switzerland. Wheat involved is 100,000 to 250,000 metric tons (3.7-9.2 million bushels) for each of the 5 years. The agreement provides for purchase of the equivalent of 4.7 million bushels of corn in 1947 and 3.9 million bushels annually for the remaining 4 years of the period. Oats purchases for 1947 are placed at about 10.3 million bushels with about 6.9 million for each of the succeeding years. Provision is made for about 800,000 bushels of rye annually. Among the other products covered are 50,000 short tons of oilseed cake.

In case of the above amounts not being available for export, specified percentages of the export surplus are to be made available to the Swiss. If the products are available at lower prices elsewhere the Swiss may purchase requirements from other sources provided they first advise the Argentine Trade Promotion Institute, through which agency deliveries are normally made.

The Argentine agreement with Spain involved the sale to that country of a minimum of 14.7 million bushels of wheat in 1947 and 11 million in 1948. In the three remaining years of the agreement, Argentina is to supply Spain with 90 percent of her requirements, and if Argentina's surplus falls below 95 million bushels in any year Spain is to have a specified percentage of the surplus.

The Argentine-Brazil agreement involves 44 million bushels of wheat annually from 1947 through 1951. In case the exportable surplus falls

below 95 million bushels, Brazil is to have at least 45 percent of the exportable surplus. If either country can make a more favorable transaction with a third country from the standpoint of price, the agreement provides that the other party to the agreement must first be consulted.

CANADA REVISES GRAIN ESTIMATES

The latest revision of the 1946 grain production in Canada shows very little change from the previous estimate. The wheat crop, now placed at 420,725,000 bushels, was about a third larger than the revised 1945 outturn of 318,512,000 bushels. The rye crop is now estimated at 7,448,000 bushels, compared with the earlier estimate of 6,913,000 bushels and the 1945 production of 5,888,000 bushels. The increase from the earlier estimate occurred almost entirely in fall rye, whereas the revision in wheat was in the spring grain. Estimates for other grain crops were virtually unchanged from their previous level, and were all below early season expectations, as reflected in the first estimate issued in September.

CANADA: Grain acreage and production,
1946 with comparisons

Grain	Acreage			Production		
	Average	1945	1946	Average	1945	1946
	1939-43			1939-43		
	1,000	1,000	1,000	1,000	1,000	1,000
	acres	acres	acres	bushels	bushels	bushels
Wheat						
Winter	687	675	546	19,209	20,115	16,274
Spring	22,473	22,739	25,354	424,148	298,397	404,451
Total	23,160	23,414	25,900	443,356	318,512	420,725
Oats a/	13,309	14,393	13,163	440,897	381,596	400,069
Barley	5,873	7,350	6,730	158,537	157,757	159,887
Rye	1,002	487	534	14,577	5,888	7,448
Mixed grain ...	1,427	1,453	1,399	48,028	46,927	54,924
Buckwheat	285	261	218	5,955	5,246	4,881
Shelled corn ..	284	237	246	10,594	10,365	10,542

From records of the Dominion Bureau of Statistics, Ottawa.

a/ As reported in bushels of 34 pounds.

Reductions from early estimates occurred mainly in Saskatchewan and Alberta. Deterioration in prospects followed unseasonable weather in large areas of those two Provinces in September, with a consequent delay in harvest operations. Losses were reported to be especially marked in southern and western sections of Saskatchewan. Significant losses in quality were also reported. Excellent harvesting conditions were reported for Manitoba, and earlier season favorable prospects were maintained in that Province.

The revisions in the 1945 wheat crop are accounted for largely by increases in the estimates for Saskatchewan and Alberta.

PRAIRIE PROVINCES: Grain acreage, yield per acre and production,
1945 and 1946

Grain	Area		Average		Production	
	yield per acre					
	1945	1946	1945	1946	1945 (final)	1946 (3d estimate)
	1,000	1,000			1,000	1,000
	acres	acres	Bushels	Bushels	bushels	bushels
<u>Manitoba</u>						
Wheat	2,132	2,835	18.2	22.2	38,800	63,000
Oats a/	1,697	1,598	32.1	34.4	54,500	55,000
Barley	2,139	1,883	24.5	25.5	52,500	48,000
Rye	26	26	14.6	16.0	379	415
<u>Saskatchewan</u>						
Wheat	13,610	14,843	12.4	13.5	168,100	200,000
Oats a/	5,717	5,055	25.0	23.1	143,000	117,000
Barley	2,672	2,484	20.4	18.5	54,500	46,000
Rye	259	302	10.1	11.3	2,620	3,200
<u>Alberta</u>						
Wheat	6,824	7,500	12.9	18.3	87,700	137,000
Oats a/	3,335	2,957	22.8	35.2	76,000	104,000
Barley	2,048	1,902	18.1	26.8	37,000	51,000
Rye	125	132	11.8	15.9	1,477	2,100
<u>Prairie Provinces:</u>						
Wheat	22,566	25,178	13.1	15.9	294,600	400,000
Oats a/	10,749	9,610	25.4	28.7	273,500	276,000
Barley	6,859	6,269	21.0	23.1	144,000	145,000
Rye	410	460	10.9	12.9	4,475	5,915

From reports of the Dominion Bureau of Statistics, Ottawa.

a/ Oats, as reported in bushels of 34 pounds.

FATS AND OILS ^{1/}

SWEDEN INCREASES RAPESEED PLANTINGS

Sweden's 1946 fall-seeded rapeseed crop amounted to 25,500 acres, representing a 45-percent increase over the 17,600 planted the previous fall. This expansion is attributed to the price increase of 6 ore per kilogram (76 cents per 100 pounds). The rapeseed crop, having been planted earlier than the bread grains, was not affected by the unfavorable weather as were the latter.

IMPORTS EASE CUBA'S EDIBLE FATS SUPPLY

Cuban lard imports of 13.6 million pounds during December 1946, the largest quantity received in any one month over a period of several years, have alleviated the shortage of edible fats which has prevailed in Cuba

^{1/} This Section is continued on page 77.

for the past 2 years. Receipts for 1946 totaled 78 million pounds or almost 17 million more than the 1945 imports. Edible vegetable-fat and industrial-fat imports during 1946 were, however, 2 and 5 million pounds less, respectively, than in the previous year.

Cuban lard production may have increased somewhat during December since normally the greatest hog slaughter occurs in that month. Tallow production for December was about 1 million pounds, but most of this was delivered to small soap makers at prices above the 12-cent ceiling. Only about 2 million pounds of peanuts were crushed in the same month. The Cuban Ministry of Agriculture is endeavoring to persuade growers to produce more peanuts in 1947 than the 62-million pound output of last year.

As a result of additional supplies, lard consumption undoubtedly increased considerably. Reduced lard prices and laborers' surplus money, made available with the advance payment by sugar mills of 10 percent of their wages for the 1946 sugar harvest, have likewise been factors contributing to increased consumption. Soap-factory operations were curtailed by the unsatisfactory price situation. December consumption of soap fats was only about a million pounds, compared with normal consumption of approximately 3.5 million. Linseed-oil utilization by Cuban paint manufacturers averaged about 300,000 pounds a month.

CUBA: Arrivals of principal fats and oils,
December 1946 with comparisons

Commodity	December 1946	Total 1945	Total 1946
	1,000 pounds	1,000 pounds	1,000 pounds
Edible:			
Soybean oil	1,391	13,555	10,077
Cottonseed oil	0	25	23
Olive oil	0	375	1,813
Cocoa butter	0	0	77
Total vegetable	1,391	13,955	11,990
Lard	13,650	60,725	77,989
Oleostearine	0	91	111
Butter	0	0	267
Total animal	13,650	60,816	78,367
Industrial			
Tallow	248	12,808	6,265
Animal grease	0	4,088	828
Fish oils	17	243	330
Linseed	485	3,716	3,482
Coconut oil	0	32	2,634
Palm oil	387	7	1,660
Tallow oil	0	0	347
Ouricuri oil	0	45	0
Peanut oil (inedible)	0	303	60
Castor oil	99	0	100
Inedible vegetable oils, unspecified:	0	0	374
Total industrial	1,237	21,242	16,080

American Embassy, Habana.

Total fats and oils imports for 1946 amounted to 106 million pounds, 10 million more than the 1945 receipts. Greater lard imports resulted from the better supply situation prevailing in the United States.

CUBA: Stocks of lard and vegetable oils,
January 1, 1947, with comparisons

Date	Lard Million pounds	Vegetable oils Million pounds
1946		
January 1	9.4	8.5
November 1	9.5	3.1
December 1	11.6	3.4
1947		
January 1	17.8	4.3

American Embassy, Habana.

Lard stocks at the end of December, although purchased at high prices, were larger than at any time since 1944, but commercial edible-oil stocks were only moderate. Stocks of soap fats were practically exhausted, but linseed-oil stocks were estimated at about 900,000 pounds.

TOBACCO

BURLEY EXPORT PROSPECTS
FORESEEN AS FAVORABLE 1/

Action is necessary now if the tobacco industry is to capitalize on conditions abroad favoring expanded exports of United States Burley and flue-cured tobacco, the essential leaf for American-type blended cigarettes, Hugh W. Taylor, International Commodity Specialist, Office of Foreign Agricultural Relations, told the Farm and Home Convention meeting at Lexington, Kentucky, January 31.

A strong potential demand was created for American-type cigarettes during the war when shipments to our troops throughout the world were shared with civilians and allied troops, he declared. The rate of expansion for tobacco exports, however, may depend on the continuance in the trend of consumer preference toward blended cigarettes and the effectiveness with which all segments of the industry cooperate to speed up this trend.

Expanded export markets for burley tobacco are necessary if the present supply in excess of domestic requirements is to be absorbed, Mr. Taylor concluded. For fire-cured and certain types of cigar leaf, however, the supply-demand position domestically is better balanced. Reflecting the larger tobacco consumption during the war, Burley exports for the year beginning October 1, 1945, were 30.8 million pounds-about 6 percent of 1945 production, compared with 10.9 million pounds in the 1934-38 period. Cigarette exports also show a large increase over prewar.

1/ The complete text of this speech on possibilities of export trade for Burley tobacco may be obtained from the Office of Foreign Agricultural Relations.

COTTON AND OTHER FIBERSWEEKLY COTTON PRICES
ON FOREIGN MARKETSCOTTON: Spot prices of certain foreign growths
and qualities in specific markets

Market location, kind, and quality	Date 1947	Unit of weight	Unit of currency	Price in: foreign currency	Equivalent U.S. cents per pound
Alexandria		Kantar			
Ashmouni, Good	1-23	99.05 lbs.	Tallari	44.50	37.10
Ashmouni, F.G.F.	1-23	99.05 lbs.	Tallari	40.75	33.97
Giza 7, Good	1-23	99.05 lbs.	Tallari	43.25	36.06
Karnak, Good	1-23	99.05 lbs.	Tallari	42.50	35.43
Karnak, F.G.F.	1-23	99.05 lbs.	Tallari	41.00	34.18
Bombay		Candy			
Jarila, Fine	1-23	784 lbs.	Rupee	444.00	17.08
Broach, Fine	1-23	784 lbs.	Rupee	540.00	20.77
Sind American, Fine	1-23	784 lbs.	Rupee	565.00	21.74
Punjab " , 289-F, Fine	1-23	784 lbs.	Rupee	630.00	24.24
Kampala, East African	1-23	784 lbs.	Rupee	850.00	32.70
Buenos Aires		Metric ton:			
Type B	1-25	2204.6 lbs.	Peso	2110.00	28.50
Lima		Sp. quintal:			
Tanguis, Type 5	1-25	101.4 lbs.	Sol	157.00	23.82
Pima, Type 1 (Nominal)	1-25	101.4 lbs.	Sol	186.00	28.22
Recife		Arroba			
Mata, Type 5	1-24	33.07 lbs.	Cruzeiro:	125.00	20.56
Sertao, Type 5	1-24	33.07 lbs.	Cruzeiro:	130.00	21.39
Sao Paulo		Arroba			
Sao Paulo, Type 5	1-24	33.07 lbs.	Cruzeiro:	146.50	24.10
Torreón		Sp. quintal:			
Middling, 15/16		101.4 lbs.	Peso	142.00	28.82

Compiled from weekly cables from representatives abroad.

FRUITS, VEGETABLES, AND NUTSCANADA'S APPLE SHIPMENTS
TO U.S. BELOW 1944-45

Shipments of packed apples from the 1946 British Columbia crop to United States markets totaled 680 cars through January 11, 1947, down 786 cars from the same period in the 1944-45 season. Of the 680 cars shipped in the current season, Red Delicious account for 300 cars, McIntosh 155, Wealthy, 65, Regular Delicious 47, Stayman 30, Jonathan 21, Grimes Golden 15, Spitzenberg 15, and Rome 10. The shipments were distributed in 31 states. Although the British Columbia crop this season is comparable to the production of 2 years ago, marketings in the United States have been much less because of a great increase in the volume of Canadian apples exported to the United Kingdom.

LIVESTOCK AND ANIMAL PRODUCTS 1/CANADA INCREASES
EXPORT BACON PRICE

In line with the upward adjustment in export bacon prices (see Foreign Crops and Markets, January 20, 1947), the Canadian Meat Board has announced an immediate increase in the export price of Grade A-1 Wiltshire sides of \$2.00 per hundred pounds and proportionate increases for other export bacon produced from hogs slaughtered in inspected packing plants.

These increases will remain in effect until September 1, when an additional upward adjustment of \$2.00 will be made that will continue through December 31, 1948. This will make the \$4.00 increase recently announced for export bacon fully effective September 1 of this year, representing a rise of approximately \$5.00 per hog over floor prices in the previous agreement.

NORWAY'S MILK OUTPUT
SHOWS UPWARD TREND

Norway's milk production during 1946 exceeded earlier estimates, notwithstanding below normal domestic production of feeds in both 1945 and 1946 and shortages of farm labor. Feed grains and also protein concentrates were imported and farmers have been permitted to feed their animals the grain and hay raised on their own farms.

Milk weighed in at creameries in 1946 amounted to approximately 1.3 billion pounds, or an increase of about 68 percent over 1945 but was only about 75 percent of 1939 receipts. It has been the policy of the Norwegian Government to make available as much milk as possible for sale to consumers as fluid milk. During the good pasture season of June and July, milk supplies exceeded the ration requirements and consumers were permitted to purchase the excess. In these months, sales of bottled milk increased 90 percent over the same 2 months of 1939.

Butter production in 1946 is expected to show an increase of about 54 percent over 1945, but will be only about 36 percent of 1939 output. The volume of white cheese manufactured in 1946 is estimated at about 44 percent of 1939 and whey cheese at about 65 percent.

Milk production in 1947 is expected to continue an upward trend. Milk cow numbers have increased approximately 4 percent since liberation and cows are generally in good condition. The feed situation also has improved over a year ago. The greatest single factor limiting the rate of increase in milk production is the shortage of farm workers, many of whom have found more lucrative positions in industry. Milk producers report that they are unable to compete with the higher industrial wage rates and still produce milk at the maximum price permitted by the Price Directorate. While several small increases in milk prices have been allowed during the past year, further upward adjustments may become necessary, unless a decline occurs in the cost of labor and feed.

BOLIVIA HAS OUTBREAK OF CATTLE DISEASES

Several outbreaks of diseases have occurred recently in Bolivia. The most serious, according to the Government, were the cases of foot-and-mouth and carbuncle diseases in the Department of Tarija and rabies in the Department of Beni. Rabies in this area were comparatively unknown among cattle prior to this outbreak. Five thousand head of cattle are estimated to have perished from the disease. The disease is said to be under control, which has been accomplished by vaccination of healthy animals and isolation of diseased animals. In the Department of Tarija foot-and-mouth and carbuncle diseases recently reached near alarming proportions with an increased mortality rate among the affected cattle. As a result, the supply of meat has been considerably decreased in the two areas.

The carbuncle disease has virtually a 100-percent mortality rate and is contagious to human beings. Several persons are reported to have died in Tarija after contracting the disease from cattle. Foot-and-mouth disease has had a comparatively low mortality rate and, according to a Bolivian Government source, has always been present in various cattle regions of the country in endemic form and is chiefly a menace in that it reduces milk production of cattle.

SOUTH AFRICA TO GET NEW WOOLEN MILLS

A mill for the manufacture of wool tops, yarns, and all types of woolen and worsted cloth using South Africa wool is to be established at Worcester Cape Province. This will increase to three the number of such plants to be established in South Africa in recent years.

The new company, Safwoltex Ltd., sponsored by French interests with a capital stock of £800,000, intends to erect and operate the plant which will carry out all phases of manufacturing including washing or scouring, combing, spinning, weaving, dyeing, and finishing. French artisans will be brought in to operate the plant.

Another new factory, the Good Hope Textile Corporation Ltd, at Kingwilliamstown, to cover 26 acres, will employ between 3,000 and 4,000 persons. Great Britain will participate financially in this new concern on equal shares. The initial capital is reported at £1,000,000. The plant will manufacture process, treat, and deal in wool as well as in cotton, silk, flax, hemp, jute, and other fibers and fibrous substances.

Prior to the war approximately the entire South African wool clip was exported but war experience has evidently led the South African Government to encourage the processing of a certain percentage of the wool in South Africa.

The first mill was established at Uitenhage. This was done upon the decision of the Government in December 1944 through the Industrial

Development Corporation with a capital of £ 650,000. The factory was reported as approaching completion in January 1946.

MISCELLANEOUS

U. K. OFFERS EAST AFRICA 5-YEAR COFFEE CONTRACT

Britain's Ministry of Food in London has offered British East Africa a 5-year coffee contract beginning July 1, 1947, under which the Ministry would purchase at agreed prices approximately 226,000 bags of mild coffee and 174,000 bags of hard coffee, or a total of 400,000 bags annually of 132 pounds each. The reported purpose of the proposed contract is to ensure future supplies of coffee for the United Kingdom and to protect the planters against market fluctuations.

Under the proposed contract, East African planters may choose to sell their coffee either on the basis of a flat price or an average price per ton with a maximum and minimum payment set. Thus, in the case of the 1947-48 crop Kenya mild coffee, the flat price, f.o.b. Mombasa, would be \$528.63 per long ton (16.9 bags of 132 pounds each). The maximum price for Kenya mild would be \$609.96 per ton and the minimum \$508.30. The actual price paid in any one year for Kenya mild would be based on the average price paid during the corresponding year to June 30 for Colombian Medellin Excelso. Prices for other types of coffee would be based on suitable differentials in comparison with Kenya coffees. The current price for Kenya mild coffee, f.o.b. Mombasa, as established by the Ministry of Food contract which expires July 1, 1947, is \$272.45 per long ton for low quality, and \$597.76 for top quality.

Coffee production in British East Africa (Kenya, Tanganyika, and Uganda), averages about 850,000 bags annually. If the Ministry of Food buys 400,000 bags annually, there would still remain a substantial surplus for disposal on the open market, as the amount required for domestic consumption is very small. During prewar years (1935-39) British East Africa exported approximately 20 percent of its coffee to the United States; 28 percent to Europe, principally the United Kingdom; 28 percent to other African countries; and the remainder to Asia and Oceania. During the years 1942-45, inclusive, British East Africa exported 55 percent of its coffee to other African countries and the remainder to the United Kingdom, Australia, and Asiatic countries. Acceptance of the Ministry of Food contract will bring about a great change in the export pattern of East African coffee.

TAIWAN TEA CUTLACK FAIR

Tea production in Taiwan (Formosa) for 1948 is forecast at 20 million pounds, or 74 percent of the 1937-41 average of 27 million pounds annually, according to a report from the American Consulate in Taipei (Taihoku), Taiwan. Wartime destruction of plantations and crippling shortages of fertilizers have been the main factors retarding recovery. Other obstacles are high production

and shipping costs which make it difficult for Taiwan tea to compete on a price basis in the export market and the lack of facilities for direct exchange of Taiwan and foreign currencies. In prewar years (1935-39) Japan and Taiwan together contributed about 25 percent of this country's tea imports.

TAIWAN: Estimated 1946 tea stocks and production by types, 1946-48

Period	Black	Oolong	Pouchong	Total
	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds
<u>Stocks</u> carried over to 1946	2,200	-	2,000	4,200
<u>Production</u>				
1946 estimate	3,300	1,100	4,700	9,100
1947 forecast	7,000	4,000	5,000	16,000
1948 forecast	8,000	6,000	6,000	20,000

Compiled from consular report.

FATS AND OILS (Con't.)

CANADA'S FLAXSEED SUPPLY REDUCED

Canada's third official estimate for 1946 flaxseed production is 7.5 million bushels, the smallest outturn since 1941. The carry-over at the beginning of this crop year (August 1, 1946) was only 1.6 million giving a total of 9.1 million bushels for the current season, compared with 10.5 million in 1945-46.

It is expected that the greater portion of this season's supply will be utilized in Canada. One of the Government's major agricultural policies with respect to this crop is to crush the flaxseed in domestic mills, export the surplus oil, and hold the meal for livestock feed. There was a strong domestic demand for linseed oil in 1946 and an even greater demand is expected during the current year in conjunction with a rapidly expanding building program. Linseed oil was used commercially for the first time in the manufacture of shortening in 1946 with an estimated 10 million pounds of oil consumed for this purpose.

Exports of linseed oil during January-November 1946 averaged 19 million pounds (equivalent to 1 million bushels of seed). Of this quantity approximately 50 percent was shipped to the United States. During the same period export permits for 3,000 bushels of seed were issued. The Dominion Government is anxious to break the decline in flaxseed production. If measures now under consideration are successful fairly large supplies of flaxseed may be available for export in the next few years.

LIVESTOCK AND ANIMAL PRODUCTS (Con't)NEW ZEALAND DAIRY
RECOVERY SLOW

Dairy production in New Zealand during the early months of the 1946-47 season has not shown as great recovery as expected from the adverse summer drought conditions of a year ago. Fairly favorable winter growth of forage brought the herds through to the new season in better condition than was hoped for, but the spring months of October and November turned out to be cold and wet, thus limiting recovery.

NEW ZEALAND: Dairy production by months,
August 1945 through October 1946

Month and Season	Factory a/ butter- fat production		Butter		Cheese	
	Quantity	Change from preceding year	Production	Graded for export	Production	Graded for export
	1,000 pounds	Percent	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
<u>1945-46</u>						
August	18,405	99	16,975	12,358	9,782	2,997
September	31,667	98	28,641	20,655	19,378	12,177
October	44,332	96	39,940	33,815	28,978	22,973
November	48,746	96	44,019	42,943	31,912	29,754
December	47,618	94	42,487	37,381	31,476	29,427
January	39,284	84	34,968	32,845	27,777	29,348
February	27,239	70	22,490	19,398	20,160	21,907
March	21,777	58	17,253	12,858	17,445	17,898
April	17,724	63	14,500	10,192	16,800	14,457
May	10,677	75	8,245	6,527	8,575	12,275
June	3,659	95	3,538	1,613	795	3,360
July	5,158	99	5,367	2,327	844	475
Total	316,286	85	278,423	232,912	213,922	197,553
<u>1946-47</u>						
August	17,994	98	16,932	12,951	11,169	2,630
September	31,340	99	28,396	22,929	18,702	12,051
October	44,342	100	-	38,548	-	23,108

Compiled from official sources.

a/ Butterfat moving into commercial production.

Furthermore, there are an estimated 20,000 fewer cows on hand at the beginning of the 1946-47 season than a year earlier. At the date of the last census, January 31, 1946, there were 1,661,944 dairy cows in milk.

